# ORDER 2007-43 IN RE SETTLEMENT AGREEMENT

# BLUE CHIP CASINO, LLC 07-BC-02

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

# **APPROVES**

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 7<sup>th</sup> DAY OF JUNE, 2007.

THE INDIANA GAMING COMMISSION:

William W. Barrett, Chair

ATTEST:

Donald R. Vowels, Secretary

# STATE OF INDIANA INDIANA GAMING COMMISSION

IN RE THE MATTER OF:	)
	) SETTLEMENT
BLUE CHIP CASINO, LLC	) 07-BC-02
	)

#### SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Ernest E. Yelton and Blue Chip Casino, LLC ("Blue Chip") (collectively, the "Parties") desire to settle this matter prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

# **FINDINGS OF FACT**

# **COUNT I**

- 1. Pursuant to 4-33-9-12, "a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted."
- 2. On September 23, 2006 a minor was discovered on board the casino when he presented his ID for a Players Club Card.

#### **COUNT II**

- 3. Pursuant to 4-33-9-12, "a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted."
- 4. On December 27, 2006 a minor was allowed to board the casino after a security officer checked his identification card.

# **COUNT III**

- 5. Pursuant to 4-33-9-12, "a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted."
- 6. On March 10, 2007 a minor was discovered on board the casino when he attempted to obtain a player's card.

# **COUNT IV**

- 7. 68 IAC 11-7-3(b) states sensitive keys shall be returned to the custody and signed in by the same occupational licensee they were issued to unless there is a documented change of shift.
- 8. On December 7, 2006 a Slot Shift Manager walked off the casino with her keys. She took the shuttle to her car and then proceeded to drive home. She realized she still had the keys and returned to work.

#### **COUNT V**

- 9. Pursuant to 68 IAC 6-3-4(b)(4), riverboat licensees must adopt internal control procedures to "make all reasonable attempts to ensure that voluntarily excluded persons do not receive direct marketing. A riverboat licensee or operating agent will satisfy this requirement if the riverboat licensee or operating agent removes the individual's name from the list of patrons to whom direct marketing materials are sent, and the individual does not receive direct marketing materials more than forty five (45) days after the riverboat licensee receives notice, under section 3(a) of this rule, that the individual has appeared on the voluntary exclusion list."
- 10. Four people registered in the VEP were sent direct mailing from Blue Chip. The on-site IGC office was contacted by one of the VEP participants. Blue Chip contacted their corporate IT department to identify and correct the system error that allowed these individuals to be on the mailing list. As a result of this, data acquisition processes for updating customer accounts have been changed and the related hardware has been upgraded.

#### **COUNT VI**

- 11. 68 IAC 10-2-6(a) states when a new deck is put into play, the cards should be sorted and inspected in accordance with 68 IAC 14-3. After the cards are sorted and inspected, the dealer must spread the cards out, face upward on the table, for visual inspection by the players.
- 12. On September 28, 2006 a Security Officer notified the local IGC that a 10 of hearts was missing from a deck of cards. The card was found inside a plastic bag and was discovered when the last dealer of the day was removing the cards from the blackjack table to place them in the plastic bag. The card was out of play the entire day.

# **TERMS AND CONDITIONS**

Commission staff alleges that the acts or omissions of Blue Chip by and through its agents as described herein constitute a breach of the Riverboat Gambling Act, Title 68 of the Indiana Administrative Code and Blue Chip's approved internal control procedures. The Commission and Blue Chip hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Blue Chip. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Blue Chip shall pay to the Commission a total of \$47,500 (\$7,500 for Count I; \$3,000 for Count II; \$4,500 for Count III; \$10,000 for Count IV; \$20,000 for Count V and \$2,500 for Count VI) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. Neither this agreement nor any action performed pursuant to it will constitute an admission of any violation by Blue Chip. This agreement extends only to known incidents specifically alleged in this agreement and wholly based on the facts described herein. If the Commission subsequently discovers additional facts, which are not described in this agreement, that may support an independent determination that a violation has occurred, the Commission may pursue disciplinary action for such violations even if the facts are related to an incident described herein.

Upon execution and approval of this Settlement Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Settlement Agreement by the Commission, Blue Chip agrees to promptly remit payment in the amount of \$47,500 and shall waive all rights to further administrative or judicial review.

This Settlement Agreement constitutes the entire agreement between the parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Settlement Agreement. This Settlement Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Settlement Agreement shall be binding upon the Commission and Blue Chip.

IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on

the date and year as set form below.

Ernest E. Yelton, Executive Director

Indiana Gaming Commiksion

Theodore A. Bogich General Manager

-/30/07

Blue Chip Casino, LLC

Date